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ANNUAL REPORT

Imperial Federation League,

CITY OF LONDON BRANCH.

Offices at the London Chamber of Commerce,
Botolph House, Eastcheap, E.C.

REPORT OF MEETING

OF THE BRANCH HELD ON

TUESDAY, NOVEMBER 15th, 1892,

AT THE

London Chamber of Commerce,

TO HEAR AN ADDRESS BY THE

HON. GEO. E. FOSTER,

Canadian Finance Minister,

ON

“THE OUTLOOK IN CANADA,”

WITH

LEADING ARTICLES THEREON,

Appearing in London Daily Papers of
November 16th, 1892.

REPRINTED BY KIND PERMISSION OF THE EDITORS.



Imperial Federation League,

CITY OF LONDON BRANCH.

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**Offices at the London Chamber of Commerce,
Botolph House, Eastcheap, E.C.**
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A payment of one guinea annually entitles a member to the receipt of all the publications of the Branch as issued, and the Journal of the League.

The Friends of the League are reminded of the great expense necessarily incurred in the production and in the distribution, under the existing postal system, of its correspondence and literature.

Subscriptions in excess of the above towards meeting this expenditure will be gladly received and acknowledged by the Secretary.

IMPERIAL FEDERATION LEAGUE

(CITY OF LONDON BRANCH).

**Report of Meeting of the Branch, at the Offices
of the London Chamber of Commerce, on
Tuesday, November 15th, 1892, to hear an
Address by the Hon. GEO. E. FOSTER,
Canadian Finance Minister, on "The Out-
look in Canada," with Leading Articles
thereon appearing in London Daily Papers
of November 16th, 1892, reprinted by kind
permission of the Editors.**

A special general meeting of the City of London branch of the Imperial Federation League was held on Tuesday, the 15th November, at the London Chamber of Commerce, Eastcheap, to hear an address by the Hon. G. E. Foster, the Canadian Finance Minister, on "The Outlook in Canada." Mr. Alban Gibbs, M.P., presided, and there was a large attendance. Among those on the platform were Lord Brassey, Mr. H. O. Arnold-Forster, M.P., Sir Frederick Young, Sir John Simon, Right Hon. E. Heneage, Sir James Garrick, General Laurie, Mr. Herbert Saunders, Q.C., Mr. F. Faithfull Begg, Mr. Becket Hill, and Mr. C. Freeman Murray, the secretary of the branch.

The CHAIRMAN, in opening the proceedings, said : I regret to say that Sir John Abbott, the Premier of Canada, who intended to be present to-day, has been prevented from attending through indisposition, which he very much regrets. There are also certain other gentlemen who have been prevented from attending, from various causes, and I shall ask Mr. Freeman Murray, the secretary, to read you their letters.

The SECRETARY then read apologies for enforced absence from Walter Morrison, M.P., W. A. McArthur, M.P., H. Evans Broad, M.P., and the following Agents-General, who were obliged to attend a meeting called by the Marquis of Ripon at the Colonial Office:—General Sir Andrew Clarke (Acting, Victoria), Sir Edward Braddon (Tasmania), Sir John Bray, (South Australia), Sir Malcolm Fraser (Western Australia), and W. B. Erceval (New Zealand).

The CHAIRMAN resuming said : Ladies and gentlemen, as you are aware, we have come here to-day to hear an address from Mr. Foster, the Canadian Finance Minister, upon the outlook in Canada. Now it would be superfluous in me if I were to attempt to say anything on the subject in the presence of Mr. Foster. It is a subject that cannot fail to be most interesting to all of us here. It would be quite as superfluous for me to say anything by way of commendation of Mr. Foster, for I am sure he is known to you all (hear, hear), and I have no doubt many of you had the pleasure of hearing him at the Guildhall Banquet. I will, therefore, not stand between you and him for more than a moment, but I should like just to refer to a report which has been issued by a special Committee of the Imperial Federation League. That report will not be formally presented to the Council for adoption until to-morrow, but as it has been noticed in the daily press, I do not think I shall be guilty of any informality if I mention it here. You are aware that about eighteen months ago a deputation from the Imperial Federation League waited upon Lord Salisbury, and suggested to him the desirability of convoking a second conference on the self governing Colonies of the Empire. In reply, the Marquis of Salisbury suggested that we should formulate what we wanted to speak about, and to get the ground cleared somewhat before hand. Acting on that suggestion, the League appointed a Special Committee of most representative men, embracing all shades of politics. That Committee, as I have said, has now drawn up its report. There is not time to deal with the report now, but I think you will all read it with great interest. There is only one other matter I would allude to here. You are aware, I think, that our City branch some time ago passed a resolution advocating the establishment of a Customs Union, but the Special Committee has not seen its way to recommend that at present. They do not report against it. They only say that it is surrounded by too many difficulties to take it up at the present moment, and I think very likely a good many of you will think the time is hardly ripe for it however much you might hope that it may come. I will now call upon Mr. Foster to deliver his address.

Mr. FOSTER, who was cordially received, said : Mr. Chairman, ladies, and gentlemen: I know you are busy people in the heart of busy London, and I am not an idler altogether myself. What I shall say to you this afternoon shall be very brief, very direct, and, I hope, very

plain. Whatever may be our opinions with reference to the necessity for and the basis of that Federation of the Empire which shall draw all its different parts together into closer union than exists to-day, I think one thing is certain, that the subjects of Great Britain, whether they be in this country or in the Colonies—all of them, at least, who are thoughtful and patriotic men—cannot help but desire that the relations at present existing between the mother country and the Colonies—happily existing, I may say—may continue not only in their present state, but if it be possible and practicable, as I think it is, that they may continually as years progress be drawn closer—(cheers)—and that the outside parts of the British Empire, and the head of the British Empire here, may have their communications with each other extended, and that the bonds that bind them together may become tighter and stronger. (Cheers.) And I think it is true, without saying anything more upon that, that one of the best and surest means to create that sympathy and that interest which must always, I think, be the basis of any successful effort towards drawing the Colonies and the mother country together, is an intelligent idea of the extent and the capabilities of the different Colonies. I say that no surer method than this can be adopted in order to bring about the result which we all desire; and so far as I am concerned this afternoon, in answer to the very kind reception of the gentlemen who have invited me to speak, I am here to contribute my little share to that information with regard to the country from which I come. I may say, in the first place, that the Confederation of the British North American Provinces, which, as you all know, took place in 1867, entirely changed the outlook and the spirit and the zeal and the life of the Canadian people. Up to that time British North America consisted, as you know, of a number of small provinces, each of them bound up in itself, without any very great sympathy the one with the other, with a jangling of restrictions differing in each one of the Provinces, with an outlook which was not large and scarcely going beyond the sectional interests and views of each one of the Provinces. But, sir, confederation changed all—that is, it began to change it—and, every year that confederation has been a fact in that country, the change has been progressing and has been made more marked. After confederation the outlook naturally became larger and wider. Sectional and provincial differences disappeared in the broader and wider life of the country, which at once took on an immense extent of territory, the common heritage of all, of a country whose resources became known in proportion as the attention and enterprise of the people were directed to its different parts, and as a public spirit, and if I may use the term, a national life began to grow up, which was based upon the wide extent of territory and the very rich resources of the country, and upon the wonderful promise of its future. (Hear, hear.) So that confederation began in 1867 to turn the current of thought of Canadian public life in the direction which I have mentioned; and although we all know that twenty-five years is but a short period in the existence of a country, and although it cannot do everything in that time, and though we must not expect that it shall have absolutely taken away their sectional and provincial divergences of interests, yet the fact has been such as I have stated—most marked;

and its effects to-day are continuing in that direction. Well, sir, we have now entered upon the twenty-fifth year of our existence as a confederation, and it is pertinent to inquire what has been the result of this twenty-five years. The unfriendly critic of Canada might say, "Well, there is one result which is completely apparent—you have rolled up a united debt of 241 millions of dollars—that, at least, is one result of confederation." Now I des' just for a moment to say two or three words in reference to that matter, not in the way of extenuation, but in the way of explanation. When the unfriendly critic says that twenty-five years of confederation has been responsible for a united debt of 241 millions of dollars in Canada, he is not quite correct. For this must be kept in mind : that the different Provinces which formed the confederation had debts of their own at the time when they entered into confederation, and it was one of the articles and conditions of that confederation that the debt which was at that time upon each of the Provinces should be assumed by the confederation authority, and should no longer be a burden directly upon each of the Provinces ; and the total amounts of the debts of the Provinces which existed at the date of confederation, or which have been assumed since, reached 109 millions of dollars. So that you have to take that away from the 241 millions of dollars, which will leave you about 132 millions of dollars, and that is the debt accruing in Canada as the result of confederation and of every federal expenditure from 1868 up to the present time. That just by way of explanation, and not by way of extenuation. But, sir, if we have a debt of 241 millions of dollars, and if 132 millions of that debt has accrued since confederation, on what has that been expended, and for what purpose ? Has it been justifiable, and is it a debt which, instead of being a reproach to the Dominion of Canada, may surely be looked upon as one of its commendations in the way of enterprise and development ? What have we to show for that vast expenditure ; In the first place, the acquirement of a very large and a very fertile territory. As you know, the original Provinces, together with British Columbia and Prince Edward Island, were of comparatively small extent, although absolutely of large extent ; but over and above that there was a vast, almost undiscovered, and unknown territory which extended from the western part of the Province of Ontario to the confines of British Columbia, and known generally as the North-West Territory, and which at that time belonged to the Hudson's Bay Company. Well, the first effort of confederated Canada was to purchase that immense territory which extends for thousands of miles and which embraces hundreds of millions of acres of the finest land under the sun. (Cheers.) That was purchased, and the opening up and surveying of it into land lots and divisions has cost the country a capital expenditure of about seven millions of dollars. We consider that this is but a trifle as compared with the real value and importance of that vast territory. (Cheers.) But over and above that, Canada in 1868 had the problem presented to her of opening up the means of communication through that vast extent of her territory—ranging over more than 3,000 miles from the Atlantic to the Pacific, with a breadth large in extent as well. Without those means and facilities for communication there could, in the first place, be no extended hope for the settlement

of the country ; there could be no facilities for taking out the produce that the lands were fertile enough to produce, and there could be very little trade, and very little commerce. Well, that had to be done. It could be done only in one of two ways—either by taxing the people for the years as they passed for the cost of building our railways and canals ; or by adopting what was the more rational, and what I believe to be a far more economical method, of using our credit, borrowing the money, and paying the interest from year to year. Well, sir, the two great means of communication which we were constrained to make use of were our water and our railway communications. As you cross the Atlantic and enter the St. Lawrence Gulf by the Strait of Belle Isle you come first against the territory of Labrador, and shortly afterwards the territory of Canada, and from that point—at the Strait of Belle Isle—there was a water communication more or less interrupted for 2,400 miles into the very heart of the North-American Continent. But that could not be opened up for remunerative traffic without the building of links of canals and the improvement of navigable rivers, and that Canada has felt bound to do ; and I may be permitted to tell the audience that we are within three years of seeing that immense project practically completed, and within nine millions of dollars of seeing that amount which will have completed its cost. (Cheers.) Up to the present day we have paid on capital account for the water communication—the most magnificent line of water communication in the world—we have paid to-day on capital account the sum of thirty-five millions of dollars. That also explains the way in which part of this debt has been assumed. What have we in return ? We have from the Strait of Belle Isle up to the City of Quebec a splendid line of navigation, and from the St. Lawrence to Montreal a waterway by which the largest ocean vessels can go up to the City of Montreal and unload and take in their cargoes of freight and passengers ; and by canals we have joined on such links, that when three years have passed we shall have an uninterrupted water communication by which vessels having fourteen feet of draught will be able to go 2,400 miles into the interior of the country. (Cheers.) In this respect we are within three years of being completely independent of our neighbours, and with this communication entirely upon Canadian soil. Then what was the problem of railway communication ? The Maritime Provinces lie away down by the sea, 1,000 miles from the city of Quebec, and in the winter time, when navigation is impeded, they had at the time of confederation no means of access from one territory to another. Well, one of the conditions of confederation was that an inter-Colonial railway should be built, and to-day we have a railway running through the whole of the Province of Prince Edward Island, and ranging from St. John to Halifax and the Maritime Province seaports up to the city of Quebec, and joining the whole railway system of the rest of Canada and of the whole continent of North America. So that the Government has built, and is running at its own expense, about 1,400 miles of this connecting-link and line of railway so essential to the union and to the commercial progress of the Dominion. Then you may add to that the magnificent system of the Canadian Pacific Company of 5,500 miles—connecting the Atlantic with the Pacific—which is now

in successful and remunerative operation. But in order to get that Canada had to make a capital expenditure of sixty-two millions of dollars, which, added to forty-four millions of dollars for the inter-Colonial lines, gives you a capital expenditure on those two great lines of railway of over 100 millions of dollars. Then public works which have been undertaken and paid for out of capital has put up the expenditure another eight millions of dollars, giving under all these heads a capital expenditure of 156 millions of dollars, whereas our increase of debt was only 132 millions of dollars, the rest having been met out of the general revenues of the country collected from year to year. I think it is well that this should be explained, and that it should be clearly shown what has been the nature of the expenditure which has raised the public debt of the Dominion of Canada. And no sane man in Canada, and no thoughtful man outside Canada—seeing the stability of these great lines of communication and the cheapness of carriage which has resulted, and the inevitable and absolute extension of commerce—can ever regret seeing the debt as much as it is ; and over against that they can look at the compensations which must flow from the great public improvements which I have mentioned. (Hear, hear.) . . . When we come to the foreign trade of the country—taking into account always the great fall which has occurred in the values of articles —you must remember that I am giving you simply the figures as to the value of the imports and exports—the exports have risen from seventy-three millions of dollars in 1870 to 114 millions of dollars in 1892. Now, the McKinley Bill was passed in 1890 and went into operation in the fall of that year—and whether it was directed specifically against the articles which Canada especially had to export or not I cannot say, but I don't suppose that it was, for I think it was a general policy on the part of the United States of America—but the fact is that it hits very hardly just those products which Canada had to export—the products of the farm and the field, and the animal products, and the like of them. Well, in 1890 the Bill was passed, and it was feared that the exports of Canada would sensibly decrease. But they have not sensibly decreased. (Cheers.) On the contrary, they increased from 96 millions in 1890 to 98 millions in 1891, and to 114 millions in 1892, being an increase on this last year of 15 $\frac{1}{2}$ per cent. over the preceding year ; and I have also the results of the exports of July, August, and September of this year, and, as compared with the same months of last year they show an increase of 5,800,000 dols., or 16 $\frac{1}{2}$ per cent. over the large increase in the exports of last year, which proves that so far as the exports of Canada are concerned they have increased more largely since the McKinley Bill went into operation than they did before. Not, however, on account of the McKinley Bill. For there is no doubt that that did diminish our exports towards the United States of America, but not so much as they thought for, because owing to sectional and other causes in the United States, they may get a slack crop in certain products, and on account of the large consumption of the border cities—New York, Boston, and similar cities—there are times when no matter what tariff they put on an article coming from our country, their people must have them and buy them, and pay the whole of the duty upon them. So that

the diminution has not been so great as we expected in that direction. But another effect followed. You will trade with the man nearest you, other things being equal, and as long as you trade with him you don't look for the man a great deal farther away; and when the McKinley Bill was put into operation with its restrictions, the people of Canada turned their attention to an infinitely better market—Great Britain—a market in which there were certain conditions which made it more sure, more steady, more discriminative, and more remunerative to us than any other market in the world for the class of products which we specially had to export. So that during these two years there has been the further effect of the diversion of trade towards Great Britain, and a large amount of enterprise and of capital has been embarked to further develop the trade with Great Britain, to the great benefit of the Dominion of Canada. I may also say that there has been an increase in the imports during the past two years, though not so large as in the exports—a matter which does not of course cause profound regret in the Dominion of Canada. In the aggregate trade the same improvement is seen—an increase in 1891 of 16 per cent., in 1890 of 12½ per cent., and in 1880 of 8 per cent., showing that to-day the aggregate trade of the country stands at a far higher figure than in any previous time in the history of Canada. I have just, in conclusion, to say that, as regards the outlook for the Dominion of Canada, we who live there and work for the country and look with hope to its future, and who regard with feelings of pride what it has done during the twenty-five years of its confederated existence, we in the Dominion of Canada look mainly now towards this country for large openings for trade and for a great increase in the importation of our products of the farm, the field, the forest, and to a certain extent, of the sea. Because you have here an immense labouring population—an artisan population—which must be fed, and all of us, I believe, will agree in this—that if you must import some of your food, you would, other things being equal, rather import it from the Colonies than from foreign countries. (Cheers.) There is an illimitable field open to you. Canada proposes to enter into competition for your import trade, and, with your kindly co-operation and help, to possess all of it that she can. We want you to help us in sympathy. There is to-day in this country a lack of work, your workers are said to be going about the country and about the cities declaring that they cannot find employment. Agricultural processes are not so remunerative as you would like them to be. The Dominion of Canada has broad lands which it gives away to every person who will come and take possession of them, and what we want is population—what we want is agricultural population. (Hear, hear.) We want you people of Great Britain to think of this: we want you to so think and to so act that it will get into the hearts and minds of your agricultural and other labourers that they remain just as much Englishmen if they till a farm in Canada or Australia as they do if they till a farm fifty miles from the City of London. The labourer who tills a farm in Canada cannot, of course, run up to London in the height of the season—(laughter)—and I suppose the great majority of your agricultural labourers can even now scarcely run up to London to enjoy the season at its height. (Renewed laughter.) But there is, I regret to say,

this idea, that though under the same flag, being outside of Great Britain is scarcely being in a part of Great Britain, and what I plead for is this, that we shall call Great Britain every acre of territory under subjection to the Queen, whether it be in India, in Australia, in Canada, in Africa, or in any other part of the world. (Loud cheers.) We would get the idea into your minds that the stream of emigration which goes out from these countries every year perforce should be directed more and more to British territory, and less and less to foreign territory. And there is a thought here which I will give again as I gave it before—that every man you send out to become a Colonist is about ten times as good a consumer of your manufactured products as is the person who lives in a foreign country; so that it is to your commercial interest as well as to our interest that the stream of emigration should flow towards the British Dominions, and that we should consider ourselves as all parts of one united whole, having the same rights of citizenship, and the same share in the glories of the old flag, and the same share in the protection of that flag and its future triumphs, whatever they may be. (Cheers.) Some of you may say that this is somewhat of a dream. It may be. But I can say for the people of Canada that such is their conviction. Further, I believe it to be the right of the people of Great Britain as the mother land, and of the Colonies, that they shall have the power to make trade relations one with the other, to their mutual advantage, if that can possibly be brought about. When we approach the consideration of this subject, we find those old treaties of 1865 in the way. They say to us that no matter what Great Britain and her Colonies may think, they cannot institute any more favourable trade relations between one and the other than they can give to those countries which have the most-favoured nation clause, and consequently our way is barred in this direction. How those treaties came to be made I will not take it upon myself to tell. I will only say this, that it is against nature, against right, and against the best interests of the Empire that Britain shall not have the power to make better trade relations with her Colonies than with foreign countries. Whether it is possible to have those relations revised so as to bring the Colonies and Great Britain into a state in which they may make those trade relations more favourable, I will not undertake to say; but I do say that if the matter is submitted to the practical sound sense of the people, in the end I believe when they come to consider it they will find a way out of the difficulty. I am not going to say that better trade relations can be brought about, and I know that every man worships his own opinion. In Canada we do not look upon Protection as a thing of Divine origin or as a fetish, or as a thing to be worshipped; and I do hope that the common-sense, enterprising business people the world through, if they have not already done, will soon come to this conclusion—that tariffs are a matter which are to be dealt with according to the circumstances of the times in which they are operative—(hear, hear)—and that what was necessary and best fifty years ago may not be necessary and best to-day. If we can just come to that state of mind the way, I think, is paved for the mother land and the Colonies to come together and by mutual concessions and by revision to bring themselves into one great pact for

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commercial purposes, as I hope they will always remain for political and Imperial purposes. (Cheers.) And, sir, though this may be called a dream, I don't think that that is any objection to it. I think that poets dreamed before they wrote of love and heroism. I think that warriors dreamed before they conquered in their battles, that painters dreamed before they laid their brushes on canvas and produced their masterpieces, and I think that all great discoverers and explorers must have dreamed before they spread their sails and set out for distant undiscovered lands, and so added to the world's width and breadth and commercial power. (Cheers.) I don't think it is a dream or that this is a proposition which can be ruled as unpractical. It seems to me all the nearer of realisation, if it must be, that the British Empire in all its parts shall have coursing through its veins that blood of commercial interest and mutual relationship, which, if it does not take the place of patriotic and loyal sentiment, is assuredly as great and as strong a bond to keep people together as are loyalty and patriotism. (Cheers.)

The CHAIRMAN : I will call upon Lord Brassey.

LORD BRASSEY : Mr. Chairman, I am sure that most of those who are in this room are busy men and wish to hurry back to their places of business, but I am also sure that there are none but would wish to perform an obvious and agreeable duty, that of thanking Mr. Foster for his able address. (Hear, hear.) In moving a vote of thanks to Mr. Foster, I take the opportunity of congratulating the Colonies on the wisdom which has been displayed, more particularly in recent years, by statesmen holding high positions in those Colonies, in paying frequent visits to the mother country. I am sure that these visits tend in a most essential degree to promote mutual feelings of regard, and I am sure that they afford to those who come here as Mr. Foster has come, a most advantageous opportunity of making us of the mother country better acquainted with the resources of our Colonies. The practice to which I refer has been followed by many. Sir John Macdonald—a name regarded with at least as much veneration in the mother country as in the Colonies—(hear, hear)—was one of those who paid us frequent visits. But I need not particularise. We have had Australian statesmen, statesmen from the Cape of Good Hope and other of our Colonies. Turning to the statement we had the privilege of hearing from Mr. Foster, I think he has made it clear that the debt of Canada, large as it is, has been most usefully applied in the purchase of valuable land, and in opening up communications by water and by rail throughout the length and breadth of the Dominion. (Hear, hear.) In contemplating the growth of Canada and its development by a large expenditure, one cannot but be impressed with the great mutual advantages of the Imperial connection. Canada and all our Colonies want markets and capital. We offer them markets and we lend them our capital on terms which Mr. Foster has admitted to be most generous. On the other hand, we want space for the spreading out of our large, and in many cases, congested, populations, and opportunities of expansion are afforded by the Colonies. The connection is therefore mutually advantageous, and because it is mutually advantageous I am persuaded that it will last for all time. I will not trespass on your time with a

speech, but I think Mr. Foster must be impressed by the attention which he has received, not only from the audience he has addressed this afternoon, but from other and still larger audiences. He must be impressed with the great and growing interest which is felt in the Colonies, and I hope on his return to Canada that he will be more than ever convinced that we of the mother country have the greatest affection for our Colonies and the greatest pride in their growth. (Applause.)

Mr. H. O. ARNOLD FORSTER, M.P.: In saying a few words in support of the motion, I should like to refer to what has fallen from Mr. Foster. He has spoken of the treaties existing between this country and foreign countries which have been made the pretext for refusing to enter into any negotiations for the alteration of the relations between this country and the Colonies, and I absolutely agree with him in what he said, and I think we must all agree. It does seem to me an intolerable situation that it should be apprehended that we are bound by obligation or prudence to assume that we stand in precisely the same relation to foreign countries that we do in relation to our own Colonies. We make treaties with some foreign minister who has a three cornered twenty syllabled name that we are unable to pronounce. But here we have to-day the Finance Minister from one of our great Colonies coming into our assembly, speaking to us in our own tongue, and in terms we can understand, claiming our flag as his flag, and yet we are to be told that there is no difference between him and the foreigner. It is as intolerable to suggest as a matter of principle that there is no essential difference in the matter as it would be to suggest that we were not at liberty to make what arrangements we choose with Devon or the county of Peebles, because sooth we should have to make similar arrangements in Russia or the Republic of Chili. I hope the influence of the League will be exercised in favor of striking out from the records those treaties which now bind our hands. As to the use which we shall make of the liberty we have then gained is a matter for reflection, but that we ought to have that liberty I think no one will deny. When I hear the statements which are made from time to time as to the power and advance in splendour of the great outlying portions of our Empire, I am compelled to think over and over again of that great Roman story of the Sibylline books. Time after time we have these propositions made to us. Still the accepted time is here. By putting forward our hand we may obtain what it has never been in the power of any nation to obtain—complete family relationship throughout the various portions of the greatest Empire the world has ever seen. But we are either too busy or too uninstructed to accept the offer. In the story of the Sibylline books you remember Sibil came and offered to the king the books which contained the fortunes and the fate of Rome, and on each occasion the offer was refused. Six of the books had been burnt, and the king was wise enough to accept the last three when they were offered. I do hope that we may be wise enough to accept this offer that we have before us. I think that every year the balance of possibility grows against us. Every year those great self-governing Colonies are more capable of standing on their own feet, more absolutely independent of anything

that we can do for them. We have still much that they would be proud to accept as a heritage common to us all, but the time is coming when they will say, " You have refused over and over again to part with that which you could have shared with us ; we now intend to do without it." I hope we shall never see the time when Sybil will come for the third time and say, " the books have been destroyed, and it is now too late to make your bargain."

The motion, on being put to the meeting, was carried by acclamation.

Mr. FAITHFULL BEGG : I merely rise to ask you to accord a vote of thanks to the Chairman for his presence here to-day. Mr. Gibbs has been connected with our League for some time, but this is the first occasion on which we have had him present and taking part in our proceedings. The League of course knows no politics, but we value the presence of a member for the City of London. I am satisfied that Mr. Gibbs will feel gratified that he has taken the chair on an occasion like this. We have had many eminent Colonial statesmen in this room from time to time, but I think all will agree with me when I say that we have never had a speech which has surpassed in excellence the one we have heard to-day. It was a speech full of practical value, of exalted patriotism, and of great foresight with regard to the problems of the future. I think, therefore, Mr. Gibbs will agree that it is a fitting occasion on which a Member of Parliament for the City should preside.

Mr. W. BECKET HILL : I think we shall none of us be surprised to find that a member for the City has taken the chair on such an occasion as this. The City has always come forward readily in anything that had for its object the building up of the Empire to which we are all proud to belong, and we are glad to see our Chairman following in the footsteps of his predecessors. It is exactly 25 years since, the same year, that Canada became a confederated nation, a new "Dominion" that I entered the office of a steamship company very intimately connected with the Canadian trade since the time of the Crimean war, and I have therefore had ample opportunity of witnessing the progress of the thrifty race that has colonised that great country. There is only one statement in the address we have heard to-day which is perhaps disappointing, and that is that Canada has not increased in its population as we might have hoped it would do. The world must be peopled, and we are anxious to see Canada approaching the 60,000,000 of her great neighbour. But I think her progress will be much more rapid in the future in this direction. It is only within the last few days that we have received notice, as the owners of a line of steamers to New York as well as Canada, that the protective policy of the United States is no longer to be applied to keeping out the goods only of other countries but that all passengers will be required to sign a declaration that they are not immigrants to that favored land. (Laughter). I think it is time something was done to turn the stream of emigration to our own Colonies. Canada has always been and will be the nearest Colony, and I do not despair of ere long being able to put you down on Canadian shores in about five days, so that it will then be nearer to London than Scotland was half a century ago. I think we may look forward to a great increase in the population of that country, which

has, as you have heard, been opened up by water and railway communication unequalled in the United States. Why should we not do something to make it a man's interest to go to Canada and Australia rather than to the United States. Is it not our interest that those who leave this country should go to lands where they will still be loyal members of this great Empire? It would be a good thing if our statesmen can succeed in annulling those pedantic treaties which stands in the way of some such arrangement as that which has been shadowed forth by Mr. Foster. I confess I do not see why some alteration of our fiscal system should not give to Canada and Australia some advantage over the products of other countries. It should not be done in such a way as to interfere with our manufacturing interests. If a duty of 5 per cent. were levied on foreign products that are not essential for our manufacturing interest, such a levy would not only pay for our navy but would tend to develop our Colonies, and place them in such an advantageous position that the population would increase and would enable them not only to attract emigrants from this country but from the United States as well. Such a scheme as I propose would give the Canadian farmer 5s. a cwt. more on his cheese, 2s. 6d. more on his wheat, and I do not believe it would really make any substantial difference to this country.

The motion, on being put to the meeting, was carried unanimously.
The Chairman having acknowledged the vote the meeting dispersed.

**LEADING ARTICLE FROM THE "MORNING POST" OF WEDNESDAY,
NOVEMBER 16th, 1892.**

The Canadian MINISTER of FINANCE yesterday, in the able address which he delivered at the rooms of the London Chamber of Commerce, wisely abstained from putting any set proposal before that portion of the public who desire to promote better trade relations with Canada. The actual form which such a movement should take must be left to the future. The important work which speakers like Mr. Foster have before them is to familiarise us with the great progress and substantial resources of the Dominion, to show the whole public that the advocates of closer commercial union are not open to the charge of asking help for Canada at the expense of England. The Dominion is in no want of bolstering up from the United States or from England. It is already safely advanced in a great career of economic development, quite independent of its arrangements with England or any other State. Such changes in our fiscal system as have been suggested more than once would benefit Canada as they would, it is contended, benefit England, but they are no necessity for our great colony. The impetus which the confederation of the Canadian provinces gave in 1867 has already secured the future of this vast region. Its advantages of soil are so great that even the McKinley Tariff has failed to check the trade in agricultural produce with the United States, although the destruction of this import trade was expected as one of the first fruits of the great Republican scheme. The appeal of Canada to be taken into the Union was expected to follow soon after. Yet while these high expectations

were cherished all through the official circles of the Republic, the imports of foodstuffs from Canada into the States have increased since 1890 by some eighteen million dollars. A community which can resist in this way a deliberate attempt at extinguishing its business need ask no favour of anyone. It is only time and wise husbanding of national resources that are required to make Canada one of the great historic communities of the world. It is true that neither the richest soil nor the most industrious tillage of it, nor the accumulated wealth which ought to result from the combination of industry and great natural resources will make a great people unless these advantages are accompanied by public spirit and steadfast endurance in political purpose. The community, however, of whom the late Sir John Macdonald became the impersonation is not likely to fail in these great attributes of political success, and thus Canada comes before the British public as one of the most successful of modern States, full of that cordial admiration for the old country which English-speaking people entertain on old grounds of association, and without any conflict of late born political ambitions such as occupy the citizens of the United States.

These successes of Canada, however brilliant, Mr. Foster was able to show, are not inconsistent with economic progress. If the Canadian Debt is large, nearly half of it is due to the debts of the different provinces accepted by the confederation as a whole in 1867. The development of water communication and of railways accounts for nearly all the 130 million dollars of debt which has been since incurred. In opening waterways alone Canada has spent 35 million dollars, and the system is so far advanced that in three years vessels drawing 14 ft. of water will be able to penetrate two thousand four hundred miles into the interior of Canada. The railway mileage of Canada places the community eighth in the list of nations, yet with this astonishing result for a population of five millions their bonds and stocks stand first among our Colonial securities, and compare favourably with all other securities known on the London Market. Her wealth in fisheries is matter of history, the registered tonnage of Canada gives her the fourth position among the seafaring people of the world, and these figures are not surprising when we see that her export trade steadily increases, showing a development of 40 per cent. since the establishment of the confederation. Notwithstanding the considerable increase in the bulk of indebtedness due to expenditure on railways and canals the ratio of debt to population for some years past has been stationary.

It was much to be regretted that business at the Colonial Office prevented the Agents General of the Australian Colonies from listening to Mr. Foster's eloquent exposition of the magic change which confederation had wrought in the fortunes of Canada. Some twenty-five years ago the energies of the population were absorbed in controversies between adjoining colonies, or in struggles of race and religion. Recent events at Quebec show us that these latter have not yet died out, but even Mr. Mercier's passionate invectives are not able to secure them any lasting vitality. The unity of the Colonies enabled them to assert their claims to those great North-Western territories which

seem likely to be much more valuable to the Canadian people than gold mines have proved to be in Australia. Their co-operation secured for them an attention from the Central Government which could not be given to isolated bodies. It is a melancholy fact that in our dealings with the Cabinet at Washington the Central Government on more than one occasion during the early part of the century sacrificed the interests of our Canadian colonists to the acquisitiveness of their Republican neighbours. Lack of information may have been one reason, the absence of a proper controlling current of opinion another, but, however we may explain the fact of this careless dealing with Canadian rights, it is pleasant to know that confederated Canada can have no such dangers to apprehend in the future. The great British people north of the St. Lawrence now speak with a volume of voice, and happily with a discriminating judgment which secure attention for their slightest wants. They boast a larger territory than any other political body on the American Continent, and form a link between West and East in one of the greatest empires the world has ever seen. It is true that the comparative isolation of Australia does not supply the incentive to union which the proximity of encroaching neighbours to the south of the St. Lawrence did in the case of Canada ; but, on the other hand, Australia, notwithstanding its vast area, is exposed to the vicissitudes of maritime supremacy in an ocean which may not improbably witness the next great naval war. The Pacific is becoming every year more and more crowded with the war-vessels of the great naval powers of Europe, whilst China and Japan are hastening to add their armaments to the great arrays which may within the next generation decide the predominance of nations in the antipodean waters. The picture which Mr. Foster draws of the results of confederation is, therefore, most instructive at a time when Australia is discussing a union of our colonies in the Southern Pacific ; but as regards questions more nearly affecting ourselves, Mr. Foster, in the spirit of a statesman and philosopher, left his hearers to consider at their leisure tariff controversies in their various aspects. He is no advocate of abstract principles, but holds that these questions of Free Trade and Protection should be dealt with according to the circumstances of the time.

- What was necessary and best fifty years ago might not be so regarded at the present day. This is a mood much more reasonable than we generally find in speeches on tariff or currency questions. In fact, a little observation must show that there is no abstract rule in these matters. Absolute Protection such as Mr. McKinley conceived, or absolute Free Trade, are both equally absurd. A discriminating examination of the circumstances affecting particular industries and the fiscal wants of each population are the only sure guides to a wise and useful adjustment of these questions.

LEADING ARTICLE FROM THE "STANDARD" OF WEDNESDAY,
NOVEMBER 16th, 1892.

The address which the Canadian MINISTER OF FINANCE delivered to the Imperial Federation League yesterday afternoon is of peculiar interest at this crisis in the policy of the New World. It may, perhaps, not have been intended as a manifesto to the waning admirers of the McKinley Tariff, or to those who advocated annexation to the United States solely on the ground of the ruin which this short-lived measure would inflict on the Dominion. Indeed, there were at the time men of little faith on the Ottawa and the St. Lawrence, the Saskatchewan and the Fraser, who believed that, by the Protective Tariff which was to shut out their wares from the neighbouring markets, Canada would be compelled to seek salvation in some form of Union little short of absolute severance from the mother country. The result has been absolutely the contrary of what was expected. Instead of the Canadian exports diminishing, they have increased—new markets, more constant and more profitable, having opened as the old ones were temporarily closed. Thus, while in 1890 the Dominion spared of her surplus products ninety-six millions of dollars' worth to other countries, in the nine months of the present year she sent abroad one hundred and fourteen millions' worth—an increase of nearly ninety per cent, over what she exported in the year when the British Colonies in North America formed the present confederation. Of this trade the greater part came to great Britain, which the Canadians have discovered to be "an infinitely better customer" than the one they lost. This discovery Canada is not likely to forget. For it must be remembered that though the United States contains sixty million souls, the Dominion can hope to feed very few of them, and to clothe and supply with tools and timber a still smaller proportion. The manufacturer or farmer, for example, within a stone's throw of the frontier might, assuming that the wall of tariffs were broken down, cross it in a few minutes. But the instant he does so he has to face the competition of scores of farmers, and millmen, and lumbermen, who can supply what he has to sell on terms quite as favourable as he can offer. And every mile he penetrates the United States this rivalry becomes keener, until in time the man who has brought his goods many hundreds of miles cannot possibly sell them as cheaply as the local producers. It is, for example, hopeless for the manufacturer from Quebec, or Montreal, or Halifax to compete in the open markets of San Francisco, or Portland, or Seattle, even were the Dominion and the Republic one. The week's railway journey across the continent is better "protection" to the local producer than the most ridiculous tariff which it ever entered into the mind of a McKinley to devise. It is much cheaper and quite as quick to ship the stuff across the Atlantic to what are practically the only open markets of Europe, those of the mother country, with its forty millions of consumers, who must have bread, and would, all things being equal, rather buy it from Colonies than from foreigners. In this way Canada and Great Britain are, in an informal way, effecting that Federation which would, for all practical purposes,

be complete were she and the other "Dependencies"—in name rather than reality—to open their port to our goods. The less important question over which the Imperial League is concerned would come in good time, without any of the formal agreements which at present pall upon ears not sharpened by self-interest. Mr. Foster's other figures are equally suggestive. They prove that, if the lusty young Dominion has a highly respectable debt, she has a great many assets in the shape of railways, and waterways, and other public works to show for it, together with an ever-growing revenue, raised by the lightest of taxation. She is one of the most solvent countries in the world. Such a territory, independent except in the gentle bond which binds her to the most powerful of Empires, has no need to hanker after the humble position of being an integral part of a Republic in which she would occupy a very subordinate place, and be hopelessly outvoted on every question when her interests come into collision with those of the older States. In truth, the annexation cry had not, and is never likely to have, any influential support. A few *doctrinaires*, and a handful of discontented people, who see in secession a larger outlet for their soaring ambition, and in disloyalty a reward which their abilities do not merit under a happier condition of affairs, were the mainstay of that now exploded fad. But the vast body of the Canadians, and above all those of the French Provinces, whose large privileges—accorded to them and their faith by ancient treaties—the Republic would not feel bound to respect as we have respected them, would never, unless by inconceivable folly on the part of their statesmen and ours, dream of severing a tie which, according to Mr. Foster's instructive figures, has proved so profitable to themselves.

*LEADING ARTICLE FROM THE "MORNING ADVERTISER" OF
WEDNESDAY, NOVEMBER 16th, 1892.*

Whatever may be thought of the possibilities of a closer union between Great Britain and the Dominion of Canada, there can be no doubt that both the old country and the colony are interested in knowing as much of each other as they can. The Canadians are naturally better acquainted with us than we are with them. Those among them who can afford the time and money are in the habit of visiting England at least once in their lives, and those that stay at home are tolerably well informed with regard to the institutions of the mother country, and the prevalent currents of opinion here. But Englishmen still know far too little of Canada, as indeed they do of all the Queen's dominions beyond the sea, and the first step towards more intimate relations must be the dissipation of ignorance. Canadian statesmen are well employed, therefore, when they come among us; and, as Mr. Foster, the Colonial Minister of Finance, did at the London Chamber of Commerce yesterday, give us authoritative accounts of the real condition of things in the colony. The time has happily passed when it was necessary for the Canadians to assure us of their loyalty. The events of the last year or two have placed that beyond the reach of doubt, if any doubt was previously entertained. Canadian

loyalty has come to be taken for granted. We understand on this side that our fellow subjects in the Dominion desire nothing so much as the maintenance of British rule in North America, and the sole question has come to be how that object is to be best secured. The Canadians do not conceal their opinion. They want an Imperial Customs Union, or, at any rate, a Customs Union between the mother country and the colony. They are eager to abolish the protective duties which they impose upon some articles of British production, if we will only give them a corresponding advantage. Unfortunately, it is much easier for Canada to fulfil her part of the proposed bargain than for us to fulfil ours. It is not difficult for the Canadian Parliament to abolish or modify the import duties which tend to hinder British trade, but in the present state of public opinion it is impossible for us to reciprocate. We cannot, for example, impose a differential duty upon American wheat in favour of Canadian, because we impose no duties upon wheat at all. No doubt, if the time should ever come for the re-imposition of such taxes—which, to most people, seems unlikely enough—they would be applied to foreigners only, and we should at once have reciprocity with Canada, and in a very little while with the Australian colonies also. The best informed among the Canadians recognise the impossibility of this at present, though they are probably more sanguine of the obstacles being overcome than most of us in this country. They have a firm faith that somehow or other the difficulties will disappear. As Mr. Foster put it yesterday, they look for mutual concessions and revisions, "which will soon bring the tariffs into one great pack," to the advantage both of commerce and the Empire.

Mr. Foster is, of course, a thoroughgoing believer in the practicability of commercial arrangements between Great Britain and Canada, and does not hesitate to avow that that is the ultimate aim of his policy. In the Dominion House of Commons last spring, on the occasion of announcing the failure of negotiations with the United States, he made his now memorable suggestion that the time had come for giving preferential duties to this country. A month later the House, by a majority of three to one, passed a resolution in favour of carrying the proposal into effect, and there can be no doubt that the Parliamentary vote fairly represents the feeling of the country. Mr. Foster did not, however, dwell much upon the question of duties yesterday. His object was rather to show what Canada has done since the Federation of the provinces, and how prosperous a country she has become. The Dominion is now exactly twenty-five years old, and we can believe Mr. Foster when he says that its establishment has entirely changed the outlook, and it may even be said the national life, of the British North American people. Before 1867 Canada was no more than a geographical expression. The name was merely the collective designation of a set of small and thinly peopled provinces, each having its own political and commercial arrangements, and with nothing of organic unity. Canada is now, in the true sense of the word, a nation, though its people have no desire to be a nation outside the Empire. Mr. Foster recalled with pardonable pride the great works which have been accomplished since the union was effected. The development of water communications in the interior and the building of the Pacific

railway are achievements of which an older community might be justifiably proud. Canada now stands eighth among the nations of the world in the mileage of her railways and her telephones, while she holds the fourth place in respect of her registered tonnage. It is pleasant to learn that despite the McKinley tariff there has been a great increase in Canadian exports within the last two years, because attention has been turned to England, which has proved a better customer—an infinitely better customer, Mr. Foster says—than the United States. It would seem, therefore, that even without the preferential arrangements which the colonists desire, remunerative trade with this country is possible, and we must hope that it will be greatly extended as the years go on. It is certain that the McKinley tariff has failed in one of its objects, if it has not, as the Democratic triumph in the United States appears to indicate, failed in all. It has not brought Canada to her knees. On the contrary, reciprocity is less in favour than ever, as the Canadians are coming to discover that they are not so dependent on their immediate neighbours as they had been taught to think. At the same time, as they acquired a national consciousness of their greatness, both territorially and in the resources they possess, they will repudiate yet more energetically than in the past the suggestion that they should merge themselves in the American Republic. Canadian independence is conceivable, annexation is now but a dream, and Mr. Goldwin Smith will apparently soon be left to dream the dream by himself.

*EXTRACT FROM THE "MORNING "LEADER" OF
NOVEMBER 16th, 1892.*

The consolidation of the Empire is the meeting-ground for the upholders of opinions widely different and at times actively antagonistic, and yesterday afternoon the meeting held by the City of London Branch of the Imperial Federation League to hear an address from the Hon. George E. Foster, the Finance Minister of Canada, comprised people of all shades of thought. Mr. A. G. H. Gibbs, M.P., occupied the chair, Lord Brassey, Sir F. Young, Sir C. Mills (Cape of Good Hope), Mr. C. Freeman Murray, and Mr. Arnold Forster, M.P., were amongst the many who crowded the large room of the London Chamber of Commerce in Eastcheap. Mr. Foster, a slight spectacled man with a rapid delivery, commenced his address by saying it would be severely practical, and so it was. It bristled with figures rather suggestive of a sum in proportion. Mr. Foster said they had room in Canada for all the unemployed in London and elsewhere. It is true that there is still much unoccupied territory in Canada, but before putting more people on the land the Dominion should modify her fiscal laws. Progress must, as it is, be slow when everything which the farmers want to buy is taxed for tariff purposes up to the high-water mark, while nothing that they sell can possibly benefit from Protection. This is a suicidal policy. It is bad enough in the United States—whose people have just revolted against the system—but is ten times worse in Canada, which is not a self-contained country.

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